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AUTHOR Thorp, Jane; And Others
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ABSTRACT

A project was set up to investigate the issues arising in relation to the training needs of companies involved in major economic developments (MEDs) in Great Britain. Two major developments were studied: Stansted Airport and the Dartford International Ferry Terminal. Companies involved in each MED were identified and contacted by mailed questionnaire, followed by in-depth interviews. Training implications expressed by the companies included training needs for managers, supervisors, secretaries, and clerical staff. Companies at both developments identified a need for job-specific skills in areas such as import and export documentation, freight forwarding, and cargo handling skills. They also needed updating for skills in computer operating and word processing. The study also found that the colleges within 45 minutes traveling distance of Stansted had most of the expertise necessary to respond to the training needs expressed by the companies. It was suggested that courses to meet the training needs could be developed and that the colleges should market their capability for conducting short courses to the companies. It also recommended more coordination between colleges to avoid duplication of effort and potential irritation of client companies. (KC)

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TRAINING NEEDS IN MAJOR ECONOMIC DEVELOPMENTS

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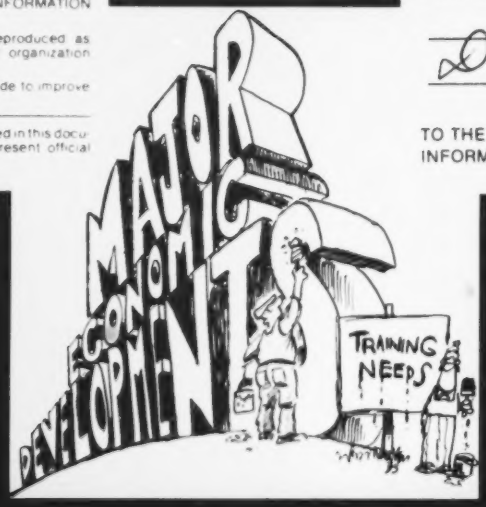

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PICKUP Regional Development Agents

London
Celia Jones
Room 6/66
Department of Education and Science
Elizabeth House, York Road
London SE1 7PH
Tel: 01-934 0838

Eastern Counties
Tony Haymer
PICKUP Office, Unit 19
St John's Innovation Centre
Cowley Road
Cambridge CB4 4WS
Tel: 0223 421075

East Midlands
Roy Frost
PICKUP Office
Robins Wood House
Robins Wood Road
Aspley
Nottingham NG8 3NH
Tel: 0602 298298

Thames Valley and North West London
Steve Sharples
PICKUP Office
Oxford Polytechnic
Headington
Oxford OX3 0BP
Tel: 0865 60264

North East and Cumbria
David Carter
PICKUP Office
Northern Council for Further Education
5 Grosvenor Villas
Grosvenor Road
Newcastle upon Tyne NE2 2RU
Tel: 091-281 9415

North West
Heather Hughes Jones
PICKUP Office
Woodlands Centre
Southport Road
Chorley PR7 1QR
Tel: 02572 75474

South East
Chris Moorcroft
PICKUP Office
Royal Holloway and Bedford New College
Egham Hill, Surrey TW20 0EX
Tel: 0784 39050

South West
David Roskilly
PICKUP Office
Bristol Polytechnic
Coldharbour Lane
Frenchay, Bristol BS16 1QY
Tel: 0272 659075

West Midlands
Bob Campbell
PICKUP Office
Wolverhampton Polytechnic
Compton Park Site
Compton Road West
Wolverhampton WV5 9DX
Tel: 0902 714771

Yorkshire and Humberside
George Ingle
PICKUP Office
YHAFHE, Bowling Green Terrace
Leeds LS11 9SX
Tel: 0532 438634

Wales
Vacancy
PICKUP Office
Polytechnic of Wales, Pontypridd
Mid Glamorgan CF37 1DL
Tel: 0443 493696

FEU / PICKUP

PROJECT REPORT

TRAINING NEEDS IN MAJOR ECONOMIC DEVELOPMENTS

Jane Thorp
Elizabeth Barnard
Tony Haymer

Further Education Unit

Professional, Industrial and Commercial Updating

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— staff from colleges of FHE and representatives of local authorities;

— members of the project steering group and many other colleagues who gave advice and assistance.

FOREWORD

This document is a summary report of an FEU/PICKUP project set up to investigate the issues arising in relation to the training needs of companies involved in major economic developments (MEDs).

The project was carried out by Jane Thorp, of Thorp Associates, Norwich, assisted by Liz Barnard, and under the direction of Tony Haymer, PICKUP Development Agent for the Eastern Counties.

An investigation was carried out into the needs of two major developments — Stansted Airport being a significant expansion of existing facilities whereas the Dartford International Ferry Terminal was a green field development. The latter development had only just begun at the time of the investigation.

Companies involved in each MED were identified and circulated with a questionnaire. This was followed by an in-depth interview with each company that agreed to participate. This report describes the methodology and findings in detail for each MED. The details of background and methodology given in the appendices should be of value to colleges planning to provide training at a MED.

A follow-up PICKUP project had been seen as possible in the initial brief, but it has been decided to recommend that local FHE institutions should co-operate in response to the needs of each MED.

In relation to MEDs in general, it is recommended that colleges in the relevant areas should co-operate to present a forward-looking, responsive image, and should develop appropriate marketing approaches to ensure that companies are fully aware of the facilities colleges can make available. Further, they should ensure that customers' needs are met in the most efficient way, the work being carried out by the college best equipped to do so, or by a private provider if more appropriate.

FEU/PICKUP has already produced three bulletins for this project. The full report is available from the FEU Information Office (tel. 01-321 0433 ext 256) on request. Further information relating to the project findings can be obtained from Tony Haymer (tel. 0223 421075) or Albert Clyde (FEU Development Office) (tel. 01-321 0433 ext. 236).

Dennis Drysdale
Deputy Chief Officer
Further Education Unit

COMMENTARY

The project focused upon two MEDs, of different sizes, at different stages of development and with contrasting characteristics. Nevertheless, a number of issues were revealed which could arise in virtually any MED, and which would have implications for colleges of further and higher education in their endeavours to contribute their training expertise to such developments.

This commentary therefore examines some of the major issues which might be addressed by public sector colleges.

The college image

The extent to which colleges are perceived as being responsive, flexible and relevant to the emerging needs of MEDs is likely to vary considerably between potential clients. However, a company which moves into an MED is beginning a new venture and therefore may be more susceptible to changing its preconceived ideas about the worth and relevance of FHE colleges — these ideas may have been favourable or unfavourable.

There is, thus, an opportunity for colleges to influence perceptions, even if the MED is at a very early stage when perhaps it is not known what the future training needs of companies might be or even which companies will eventually establish a presence in the MED.

Colleges should consider the number of benefits to be gained from establishing an early profile in the MED. These benefits could include:

— presenting the FHE system as far-sighted and ready to respond;

— establishing FHE colleges as the 'natural' source of advice and expertise on the problems of training newly appointed and existing staff;

— creating a greater awareness of the value of training as an integral part of the development and expansion strategies of companies, which in turn will contribute to an expansion of the total market for training.

Thus the strategic value to colleges of an early involvement might be more significant than the operational value of any immediately apparent training potential.

It is particularly important that the style of such an approach and, say, accompanying literature should be geared towards 'establishing a profile', rather than 'selling courses'.

Marketing approaches

As training opportunities develop, colleges will become more actively involved in marketing to companies in an MED, building upon the image previously or concurrently promoted.

It could be argued that colleges could openly compete for business in the MED, allowing free market forces to determine which colleges are successful. There is no doubt that when other goods and services are marketed, such as office supplies or professional services, there will be a number of competing suppliers. The customers would expect and encourage this. If colleges were to compete in similar fashion, it is likely that the 'better' colleges would be more successful in gaining business.

The project team believes that healthy competition is good for the FHE system. However, the 'free market' approach could have important limitations in marketing FHE to MEDs. It must be borne in mind that, however competitive and sophisticated an individual college may become in targeting its marketing activities, a significant number of people in business and in the community at large will still see each public sector college as being part of the wider system of publicly funded FHE. This will often give rise to expectations of 'uniformity' of role, provision and pricing. In MED 'communities' it is likely that perceptions and experiences of FHE will be communicated more quickly than in less integrated business communities. It is therefore considered vital that the marketing strategies of individual colleges should take into account this environmental context, and it is worth examining some of the issues which could arise.

First, colleges are not homogeneous in either their mainstream or specialist provision. No single college is likely to be able to claim that it is better placed than other colleges to satisfy all or even a substantial part of the training required in a complex MED. However, there is a risk that an individual college may attempt to serve a client's needs in a particular discipline, even though perfectly aware that another provider in the region might be better placed to service that particular need. The result could be a mediocre provision which contributes nothing to the reputation of the FHE system. The college should therefore be able and willing to refer client companies to the best possible source of training for a particular purpose.

Second, the client could become confused if several colleges claim to be able to satisfy the need for, say, word processing training. In such situations, the client becomes easy prey for the private training provider, who will offer a distinctive provision and may sell it effectively on the basis of 'the FHE system not being able to rationalise and co-ordinate its activities . . . so how can a college

possibly do an effective job and give value for money?' Whether such a statement is true or not is beside the point; it would be very easy to outsell the colleges.

Third, the pricing policies and strategies of LEAs are not homogeneous. Therefore quotations for the supply of the 'same' training may differ substantially between colleges. This may be acceptable in the commercial sector, but the client may well consider that public sector colleges should have uniform pricing structures. Again, the apparent anomalies could be used to advantage by the private sector.

Fourth, it is possible that the market for a particular area of training is large enough to be shared by more that one college. However, if too many colleges successfully competed, the net result could be several colleges gaining a share of the students, but in insufficient numbers to be either self-financing or to conform to their LEA's staff:student ratio requirements. If any of the undersubscribed courses were to be subsequently cancelled, it would reflect upon the whole FHE system.

Individual and co-ordinated marketing

A co-ordinated marketing approach by colleges to MEDs does not necessarily imply a consortium or cartel approach. Colleges should be encouraged to develop their own individual image and marketing strategies and tactics. Each college should rigorously identify those particular attributes and skills with which it can compete successfully against anyone, whether in the public or private sector. This is not a comfortable exercise; most colleges will have relatively few of these 'distinctive competences', but many will be reluctant to admit this.

Even 'distinctive competences' have little value unless there is a viable market for them, and unless they can be translated into benefits which potential clients perceive as being desirable. It is necessary therefore to 'match' the distinctive competences to viable market opportunities, using 'benefits' as the link, and then to decide upon the strategies most appropriate to the target market(s).

In marketing to MEDs, the same principles of effective marketing apply but, for the reasons previously outlined, some co-ordination is desirable. The purpose of co-ordination would be primarily to:

— promote the image of FHE, as discussed in the previous section;

— ensure that a balanced and relevant array of distinctive competences is available and effectively presented to the MED;

— provide a mechanism for potential clients to be guided to the most appropriate provider for the need;

— ensure that pricing policies of individual colleges are properly understood by potential clients. This does not mean there should be a common pricing policy between colleges, which would be inappropriate and unnecessary. It simply acknowledges that pricing is only one element of a 'value for money' provision.

This could be achieved by a number of mechanisms, formal or informal. A central marketing/business development unit could be established at or near the MED. This could be staffed on a rota basis by staff from colleges within the various LEAs which might have an interest. Alternatively, it might be staffed independently of the colleges, perhaps funded by the LEAs or the colleges themselves. Any of these arrangements could imply an unusual level of co-operation between colleges and between LEAs, which may or may not be easy to achieve.

Ideally, it is considered that co-ordination could be most effective if it were on an informal basis. This would involve a high degree of trust, communication and co-operation between colleges, including the non-LEA colleges in the Polytechnics and Colleges Funding Council (PCFC) sector, and perhaps also private training providers. It would imply significant changes in attitudes; the overriding aims of providers would be to ensure that client companies in the MED develop and maintain the utmost confidence in the FHE system.

For an informal mechanism to work effectively, it would at times be necessary for individual colleges to subordinate short-term potential gains to the longer term strategy of raising the profile of training and of FHE in the marketplace. Such a strategy is not inconsistent with colleges developing and promoting their individual distinctive competences, and would enhance the quality of the business they developed in the MED.

It cannot be denied that the informal mechanism would be difficult to develop and operate, but it seems appropriate to the needs of MEDs. Some colleges might 'fall by the wayside', even if the mechanism were to work perfectly, but this would be the natural consequence of a failure to operate effectively in a client-oriented market.

THE PROJECT

Aims

The project was a feasibility study with the aims of:

- exploring processes by which the FHE system can play a significant role in major economic development (MED) projects, by identifying the range and priorities of training needs that emerge in those projects;

- investigating how the FHE sector can most effectively contribute to the provision of training in response to needs identified;

- providing relevant support to the FHE system to ensure response in a co-ordinated and effective manner to the opportunities identified.

Two MEDs were selected for study — the Stansted Airport and Dartford International Ferry Terminal developments.

Stansted was chosen because plans had recently been confirmed for a major expansion, and it was considered that an examination of the training implications of such an expansion could help colleges of FHE identify major opportunities for developing appropriate training during and beyond the development phase.

Dartford International Ferry Terminal was chosen because it is a relatively small development which might yield contrasting information on future training implications.

A further underlying reason for selecting two MEDs of different sizes and characteristics was for the project to try and identify training implications which might apply to MEDs in general.

Training implications of MEDs

- The expectation of a substantial increase in the number and variety of jobs in which development takes place;

- a need to recruit staff from the immediate 'travel to work' area of the development, as well as the relocation into development areas of key staff from other parts of the country;

- a need to provide training and retraining throughout the development period, to ensure that staff become competent in the particular skills associated with the development;

- a need to organise cost-effective training provision across a variety of business sectors, for a wide range of adult learners, since many adults may also be employed by a large number of contractors or sub-contractors rather than by a central authority;

- there are likely to be a number of institutions of FHE within reasonable travelling distance of any MED.

STANSTED AIRPORT

A detailed description of the background research and methodology is given in Appendix 3.

Survey findings

It was clear that the majority of companies surveyed had a small number of employees. 75% had fewer than 55, 60% had fewer than 14 and only three (7.5%) had more than 100 employees. This meant that almost half the workforce was employed by the three largest organisations.

The largest single occupational category was for technicians and skilled manual workers (27.6%) — these two levels of skills have been amalgamated since the distinctions between them are becoming increasingly blurred. 8.4% of the workforce is classed as semi-skilled and 1.6% as unskilled. Clerical, secretarial and administrative staff account for 9.5%, and personal service and security for 6.5%. It is expected, from comparisons with Gatwick, that the latter two areas will expand more than the others.

The recruitment needs were for job-specific skills and experience, although not necessarily gained in an airport environment. Since emphasis was placed on social skills and the level of shift work was high, many companies recruited staff over the age of 18. However, there was a lot of interest in the Youth Training Scheme (YTS), with half the companies expecting to recruit through the scheme in the future.

Companies also looked for a wide range of job-specific skills gained through college-based vocational qualifications, with larger companies also looking for 'O' and 'A' level candidates and using these exams as a measure of potential.

Major shortages of trained pilots and electrical and electronic engineers were a cause for concern; a lack of training courses available at a national level has been identified. Skill shortages also occurred in other engineering disciplines, as well as in catering, freight forwarding and travel agency work.

Recruitment was further inhibited by high salary expectations, unsocial hours (42% of the workforce are on shift work), poor transport facilities, the cost of local housing and a lack of airport awareness. An increase in inter-company competition for locally scarce skills is a potential cause for concern, although this may be offset to a certain extent as understanding of the airport's employment potential increases.

It was evident that greater emphasis will be placed on new technology in the future, with a need for staff with computer operating skills, word processing skills or at least some computer awareness.

Nearly all companies expected to increase in size, their own development depending on the development of the airport itself. Increases in charter and scheduled flights, passenger throughput and airport awareness would all influence plans and forecasts.

Personnel with responsibility for training varied from one company to another. Usually the manager or head of department took on this role, although some national companies had training managers at head office. In most instances, the person responsible also controlled the training budget although there was not always a specific allocation. Thirteen companies used in-house centres for much of their formal training.

Thirty respondents had utilised one or more training courses for employees within the last 18 months. These courses featured management skills, health and safety, aviation-related engineering, customer service, telephone techniques, airport security and marketing.

LEA training providers had not yet captured a significant share of the market at Stansted. While it is appreciated that some courses offered by independent training agencies and manufacturers were specialist in terms of equipment or expertise, this was not true in all cases. It was noted that in many instances employees had to travel long distances (often in excess of 80 miles) to attend courses, particularly specialist ones. Some areas of training could have been provided by local colleges.

Companies stated that they would prefer locally based training provision where possible.

Three- to five-day short courses were used most frequently, while distance/open learning was the least popular method. Day-release was less attractive than in the past. Seventeen companies were aware that their employees had attended work-related evening classes. In about 50% of cases these were funded by the company. The most popular classes were in languages and secretarial skills.

It was evident from further questioning that short courses, varying in length from one to five days, were the most popular, particularly for managers, supervisors and other senior staff. Day-release has a place, but was seen to be more suitable for junior staff and those learning craft skills. Also, companies

employing staff on shift work felt that it was easier to adjust their rotas for staff out on short training courses than when they were attending a course once a week over an extended period.

It is important to note that, when discussing future training needs with companies, the interviewer did not provide any prompt as to possible responses.

Immediate and longer term training needs were identified for updating the skills of both existing and new employees. Areas most frequently mentioned were management, supervisory, training, computer operating, customer service, aviation studies and word processing. Other job-specific training that companies considered colleges could offer included flight planning, catering, secretarial skills, freight forwarding and travel or airline reservations.

The smaller companies were more interested in shared training, particularly in non-competitive areas such as health and safety or import and export documentation. It was suggested several times that this should take place either on, or in close proximity to, the airport.

College responses

Interviews were conducted with 14 LEA colleges and training organisations situated in Hertfordshire, Essex, Cambridge and North London, all of which were within 45 minutes travelling distance of Stansted. It became apparent that, between the colleges, the necessary skills and experience were available to cater for most of the training needs identified by the companies at Stansted.

The changes suggested for the FHE system by a number of companies surveyed clearly demonstrated a belief that colleges are not flexible enough, that courses and equipment are outdated and that colleges do not adapt to industry's needs. If these perceptions are inaccurate, then better marketing by the college is necessary in order to change them.

However, it is axiomatic that colleges should ensure that their own perceptions of industry's training needs are continually updated by means of elementary market research. This means being aware not only of the subject areas most likely to be needed, but also the desired content, structure, method and mode of delivery, recognising that the 'mix' may be constantly changing. Flexibility and adaptability are the cornerstones of an effective training response.

Constraints

The clear preference of companies for short courses held a number of implications for colleges. The major problems perceived by colleges in developing and running short courses were:

- management restrictions: lack of commitment from college management and LEAs, lack of clear guidance on costing and pricing, SSR requirements;
- shortage of teaching and support staff: short courses require more intensive staffing;
- lack of suitable accommodation and equipment;
- need for substantial development time;
- lack of marketing expertise and knowledge for determining the needs of industries;
- priority and morality of commercial courses versus community-based courses;
- staff conditions of service, and the 36-week year.

However, college staff interviewed were keen to suggest ways in which constraints might be overcome, and in some cases they were already being implemented. These included scheduling a number of hours into timetables to enable lecturers to teach on short courses, having a pool of external staff available for short courses or replacement, developing a stock of short-course units which could be quickly adapted to meet specific needs, funding remission through profits from short courses, realistic payments to staff who work outside their contracted hours on short courses (including vacation), flexible timetabling and more modularisation.

In addition, it was recognised that the expansion of short-course provision would, in many instances, require staff development to update lecturers in the necessary technical, teaching and administrative skills.

Despite the perceived constraints, there was clearly an interest in becoming more responsive to industry's needs, and particularly to the needs identified by the survey of the Stansted companies.

DARTFORD INTERNATIONAL FERRY TERMINAL

When surveyed, the Dartford International Ferry Terminal was at a very early stage in its development. The first ferry docked on 17 September 1986; at the time of the survey only ten companies had started operating on the site. This limited the amount of research possible and made it difficult to assess training needs, or at least more difficult than it would have been had there simply been expansion of an existing operation.

From research elsewhere it is clear that, considering their size, ferry terminals do not generate large numbers of jobs either directly or in associated operations. In a comparable example, the development of the Sally Line and Hoverlloyd Terminals at Ramsgate has offered only limited training opportunities. The findings of the survey suggested that Dartford, currently with only a 'roll-on, roll-off' freight operation, might be following the same pattern.

Survey findings

Of the ten companies at the ferry terminal, representatives from seven were interviewed. There were about 100 people working on site, all of whom had moved in within the previous nine months. Of the companies interviewed, five were involved with freight forwarding and had up to three employees, but all were planning for expansion in the future on the assumption that there would be increased sailings to and from the terminal.

A majority of companies identified an immediate training need in import and export documentation, particularly on the new customs regulations. The smaller ones were interested in sharing training courses of this nature, particularly if held on-site or locally, as this could prove to be more cost effective.

A variety of long-term training requirements were identified in areas, including management skills, supervisory skills, computer operating, business studies, customer service and hazardous cargo mailing.

There was a strong preference expressed for local, practical training offered through short courses, ideally lasting two days. However, current training activity was minimal, partly because a core of experienced staff was employed to establish new offices at Dartford and partly due to lack of time. Time was a major constraint that prevented employees and managers attending courses, particularly from smaller companies without the staff to provide effective cover.

Overall there was a fairly positive attitude towards training. Companies were against formal, academic and theoretical teaching, showing a strong preference for practical, short courses. All had employees on shift-work and so a flexible approach to training was deemed essential. The five freight forwarding companies also felt that it might be useful if a practical course in freight forwarding was available at college for school-leavers.

College responses

Situated close to the Dartford Ferry Terminal are an FE college and a polytechnic, both of which, when visited by the project consultant, expressed an interest in responding positively to the needs of the terminal as they occur. The nearby LEA-sponsored Merchant Navy College was also interested in developments and currently offers a full-time course in port management.

The FE college already had some involvement with the terminal through the local collaborative project and was interested in establishing a presence at Crossways 25 (an industrial development for small service industries adjacent to, and linked with, the terminal). This assumed that the industries are wider in scope than warehousing and distribution. Short courses offered at the college in the past included freight forwarding, which covered import and export documentation.

The polytechnic was embarking on a relatively new venture. It offered just a few short courses in specialist areas at that time, but there was keen interest in providing management skills training in the future, drawing from a wide range of expertise.

The relationship between the polytechnic and the college was positive. The latter expressed the view that, if they came across a training need that would be more appropriately satisfied by the polytechnic, they would pass on the lead.

The development at the associated Crossways 25 business park was under way, the first occupants having arrived in September 1987, but it was not possible within this research to ascertain training needs of individual companies.

The North West Kent College Local Collaborative Project (completed in June 1986) carried out surveys for sites similar to Crossways 25. Their findings showed that 'warehousing and distribution sites involve relatively small numbers of employees in relation to the working areas and stock capacities involved, and consequently will have low densities of training needs'. However, should Crossways 25 diversify to include a mixture of business, more training opportunities may emerge.

CONCLUSIONS

The major economic developments

The two MEDs surveyed have several distinct differences, the most apparent being that the development at Stansted is a major expansion building on the operations that have been based there for many years. Most companies on the site at present intend to grow with the expansion. In comparison, the Dartford Ferry Terminal is a new venture, with only a few companies currently on site, all of which moved there within the 12 months preceding the survey.

During the survey it was evident that more productive research was possible when interviewing companies at Stansted and discussing current and future training needs. The companies at Dartford were still very concerned with establishing facilities connected with the day-to-day operations of the terminal rather than projecting their training needs.

While the Dartford development will occupy a large area of land, the workforce involved will be limited. Should passenger ferries be introduced at the ferry terminal, or should a manufacturing unit become established at Crossways 25, the workforce involved, and hence the training implications, would be greater. The terminal had only a few office buildings, with most of the land used by lorries departing with cargo or awaiting collection. The business park was at a very early stage of construction, with the first occupants expected in Autumn 1987.

In comparison, although the companies at Stansted had invested much in capital, they were mainly service companies and offered many opportunities for employment. While the cargo operations are important to the success of Stansted, it is the forecasted increase in passenger throughput to eight million per annum that has the greatest potential for training providers.

Training needs

The training needs arising from the Stansted interviews are consequently far greater than those from Dartford. However, the similarities are interesting.

- First, there are the training implications which would apply to the growth within any MED, e.g. the training needs for managers, supervisors, secretaries and clerical staff.

- Second, companies at both developments identified a need for job-specific skills in such areas as import and export documentation, freight forwarding and cargo handling skills. These training needs would be evident within

other MEDs that are attractive to freight forwarding companies, as are both the developments in this survey.

- Finally, the other common area was for updating skills in computer operating and word processing.

It is possible that the companies at Dartford were approached too early with a view to identifying training needs. However, it is important that MEDs are approached at an early stage in their development and made aware of what the local FHE system can offer.

The colleges

The colleges within 45 minutes travelling distance of Stansted had, between them, most of the expertise necessary to respond to the training needs expressed by the companies. (The only two areas of training mentioned that were not offered by any college were flight planning and cargo handling.) It was suggested that staff with the necessary skills and knowledge could develop suitable courses.

While all colleges offered short courses, these were on a limited scale with very few taking place on company premises. Flexibility and responsiveness are key issues when providing training. This is particularly true when dealing with companies where a high proportion of staff are on shift work. The example shown by East Surrey College of Technology (Redhill) in offering the aviation studies course to industry, whereby the same model is run on three separate occasions (morning, afternoon and evening) each week, was said to be excellent.

It was apparent that colleges, in the past, had not gained their share of the training arising from MEDs (e.g. Gatwick). This was possibly partially due to their having only recently increased their emphasis on offering short commercial courses. When looking at some of the changes within the FHE system cited by companies at Stansted, there is a belief that courses and equipment are outdated, and that colleges are not flexible enough and do not adapt to industry's needs.

Although the colleges claimed to have, between them, the skills to meet the identified training needs and the ability to deliver training through short courses, a number of practical constraints were identified. These included LEA financial regulations, lack of staff resources, staff conditions of service and insufficient equipment/facilities. The extent to which these perceived constraints would prevent colleges meeting the identified needs of MED clients needs to be evaluated. It should be noted that the report on FEU project

RP300, *Implementing PICKUP in Local Authority Institutions* (1987), provides further information on ways of overcoming possible barriers to short-course developments.

The lack of clearly established mechanisms for inter-college and inter-LEA co-ordination of approaches to MED clients could result in duplication of effort and ineffective marketing. The same courses could be offered by a number of colleges, with the possibility that some or all would not be able to recruit sufficient students.

Of more fundamental importance is the risk that uncoordinated approaches by a number of colleges could irritate potential clients and alienate the FHE sector as a whole.

Other issues

This survey did not include research on the ripple effect of the development at Stansted Airport, i.e. that the airport is likely to bring in new industries and that people are likely to change jobs. Both these factors will have training implications for the colleges to consider.

Appendix 1
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Personal and Training Officer
Stansted Airport Limited

Jane Thorp
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Appendix 2
BACKGROUND RESEARCH — AIRPORTS

Before designing the survey questionnaires, it was decided to examine Gatwick Airport's experiences during its expansion. Information was gathered from research documents and during personal visits to Gatwick by the Project Consultant. A number of documents relating to the Stansted Airport development were also examined.

Gatwick Airport

Research documents included *Gatwick Airport and the Labour Market* (Institute of Manpower Studies, 1983), *1978 Survey of Airport Employment, Gatwick Airport — London* (British Airports Authority), *Survey Report of the Gatwick Area Employment Data Group* (BAA, West Sussex County Council, Surrey County Council, Crawley Borough Council, 1979), *Gatwick (Crawley College) Local Collaborative Project* (1986).

It was clear from this investigation that Gatwick Airport continues to suffer considerable skill shortages. The main areas of shortage emphasised were in computing (both operators and programmers), electronics (all levels), electrical engineers, general secretarial skills, catering (particularly skilled manual and semi-skilled workers) and word processor operators.

The Local Collaborative Project in 1986 identified a major lack of training to accommodate the needs of local companies in Gatwick. However, it also noted that a significant reason for skill shortage is the difficulty experienced by many companies in recruiting labour, whether skilled or otherwise. The unemployment rate in the towns around Gatwick is among the lowest in the UK.

With the exception of the Transport and Aviation Studies Department at East Surrey College and the Catering Department at Crawley College, it appeared that public sector colleges have not captured a major share of the training market at Gatwick. One large company at Gatwick was currently employing a London-based private training provider to run in-house courses at high fees. When asked if they had approached the local colleges to bid for the contract, the reply was, 'Given the unresponsive, inflexible response from the college in the past, and the poor quality of their promotional literature, it did not seem appropriate'.

It was noted that there are two local private training providers which have gained good reputations as being responsive to the needs of the aviation industry.

The chronic skills shortage at Gatwick was summed up by one experienced contact who said, 'There appears to be a mismatch of skills, which must be an educational issue. It begs the question as to whether the local colleges are laying on curricula relevant to the employment needs of the area'.

Stansted Airport

Documents relating to the Stansted Airport development were examined. These included *Stansted Airport — London: Public Enquiry Proof of Evidence* (BAA, 1981), *Stansted Airport — London: Public Enquiry, The BAA Statement of Case* (1981), *The Case Against Stansted* (Herts and Essex County Councils, East Herts and Uttlesford District Councils, June 1981), *Stansted Airport and the Labour Market : Now in the Future*, (Institute of Manpower Studies, 1980), *Stansted Airport — London: International Handbook* (1987), various county planning documents from Essex and Hertfordshire County Councils.

Appendix 3
RESEARCH METHODOLOGY AT STANSTED AIRPORT

The survey sample

The survey accounted for 1639 employees. The approximately 1700 people employed at Stansted Airport at the time (information supplied by Stansted Airport Limited, Personnel Department) accounted for 95% of the workforce of the area. The implication therefore was that the non-respondents (17) were relatively small companies. This was borne out by the reasons given for not participating in the survey, which in the majority of cases was that they were very small companies and did not have the time and need for training at the time. The survey findings were concerned with the data gained from the 34 companies interviewed and, where possible, the four postal questionnaire responses.

Company classification

All the companies were classified as either 'direct airport employers' or 'airport-associated employers'. These categories of employment were taken from *Stansted Airport — London: Public Enquiry, The BAA Statement of Case* (1981):

> 'Direct airport employment, i.e. which is necessary for the running of the airport and which must therefore be located on the airport together with any other employment located on the airport for historical reasons only.
>
> Airport-associated employment, i.e. employment whose existence is directly related to the operation of the airport and requires to be in close proximity to it but which may be located on or off the airport'.

Of the 38 companies, 21 were classified as direct airport employers and 17 as airport associated employers.

Each company was then categorised into Standard Industrial Classification (SIC) codes, using the information provided by the Central Statistical Office. Three main SIC classifications were identified — seven companies were involved in air transport, eight in support services to air transport, and nine in miscellaneous transport services (such as freight forwarding and travel agencies).

Of the companies surveyed, 18 were part of international groups with a branch office based at Stansted, seven were owned by national companies, and 12 were

small independent companies. Of these independent companies, 10 had bases only at Stansted.

The market was defined as 'international' by 33 companies.

Interviews at Stansted — method

Using the British Airports Authority (BAA) tenants list, all airport and airport-associated employers at Stansted were contacted. Each company was asked if it would participate in the research project. This meant agreeing to an interview in order to respond to the questionnaires. All interviews were undertaken by the Project Consultant at the companies' premises.

During the initial telephone conversation the aims of the project were outlined. Once an appointment was agreed, the first questionnaire, which could be completed by the company prior to interview, was posted, accompanied by a letter which further explained the purpose of the research.

The first questionnaire was concerned with:

- the company's products or services;
- the company's status and market;
- the length of time it had been based at Stansted;
- the number of employees and occupational structure of the workforce at the Stansted site;
- the levels of recruitment (e.g. YTS, 'O' level, vocational skills) and previous experience or skill required when recruiting adults;
- the areas in which it currently uses new technology, and any plans for the introduction of new computerised equipment in the future.

The second questionnaire was divided into four subject areas:

- Current training arrangements:
  - training activities within the last 12 months,
  - who has responsibility for identifying training needs,
  - formal and informal in-house training;

- Past training experience:
  - employers' attitudes towards training,
  - whether or not local training providers offer suitable courses, and opinions about training received;
- Business and workforce issues:
  - company views on expansion of the airport, including identifying particular skills which will be needed,
  - recruitment problems now and as envisaged in the future,
  - operational problems;
- Future training plans:
  - what training needs there are for the short- and long-term future for existing and new employees,
  - preferred methods of training, training constraints and factors considered prior to an employee's attendance on a training course,
  - whether it is seen to be desirable to share training with other companies,
  - awareness of the training grants available,
  - suggestions for changes within the college system.

The standard letter, sent to all companies agreeing to an interview, outlined the questions that would be asked in the second questionnaire. It also stated: 'the overall objective behind this feasibility study is to ascertain whether or not local colleges can provide the training that your company (and others) would like to see available in the future. Therefore, an idea of your forseeable training requirements and your views on any shortcomings of the colleges as they are at present are needed now. This will give the colleges sufficient time to respond efficiently and effectively to your needs where possible, with a view to saving your company time and money in the future'.

Interviews at Stansted — in practice

The majority of companies contacted in connection with the research agreed to an interview. It was noted in the first bulletin that 'the success of the project is dependent on gaining useful data from industry and commerce in order that the colleges can respond to their needs'. Given the co-operation of a large number of companies based at the airport, it was possible to gain information from a comprehensive range of companies. This range included:

- airlines (including executive and charter flight companies);
- ground handling agents;
- administrative offices;
- caterers (both terminal and in-flight catering outlets);
- car hire and taxi firms;
- retail operations;
- aviation fuel suppliers;
- aviation maintenance engineers;
- freight forwarders;
- cargo handlers;
- courier services;
- reservations.

The companies varied greatly in size, having as few as two employees to as many as 450. Some companies interviewed had had a base at Stansted for little over a month, whereas others had been there for almost 40 years.

It should be noted that all but a very small minority of companies envisaged expanding during the next few years. In many cases this would be directly related to the increase in number of passengers per annum at the airport.

For some companies the increase in scheduled flights, as opposed to charter flights, would result in more business. The aviation industry is one that is used to responding quickly to change and also to developing new activities as the need is identified. Several companies expected their business activities to diversify in the future and, should new developments take place, new skills and training needs not yet identifiable would be required.

The majority of companies had generated some training activity in the past, although many felt that more time and money would need to be spent on training as they increase in size.

Many companies put a lot of thought into their responses on future training needs and many useful suggestions and recommendations were given.

Most of the individuals contacted were optimistic about the developments at Stansted. Companies with concessions from Stansted Airport Ltd hoped they would have the opportunity to expand with the airport, while others felt they would benefit from already having a base at Stansted. Furthermore, the view was expressed several times that this research project would be of benefit to the Stansted developments.

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Objectives

The objects for which the Further Education Unit (FEU) is established are to promote, encourage and develop the efficient provision of further education in the United Kingdom and for that purpose:

a) to review and evaluate the range of existing further education curricula and programmes and to identify overlap, duplication, deficiencies and inconsistencies therein;
b) to determine priorities for action to improve the provision of further education and to make recommendations as to how such improvements can be effected;
c) to carry out studies in further education and to support investigations of and experimentation in, and the development of, further education curricula and to contribute to and assist in the evaluation of initiatives in further education;
d) to disseminate and publish, and to assist in the dissemination and publication of, information about recommendations for and experiments and developments in further education.

Address

2 Orange Street, London WC2H 7WE Tel: 01-321 0433

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